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I've been on the road a good deal in the past month--to Jackson, Michigan; Marshalltown, Iowa; and several places in California. And I've noticed one thing. Farmers everywhere ask me the same question: "Will there be enough fuel to get me through the fall harvest?"

I always give them--each of them--the same answer: "There'll be enough for the fall harvest. But there'll be nothing to waste. And as near as we can tell, the situation for next year will be about the same."

That seems like a fair answer to a fair question. But there's something wrong there. And I noticed that the same thing was wrong last spring.

When I was on the road then, farmers would ask me if there would be enough diesel to get them through the spring planting. They just wanted to get through the crisis at hand.

There was something else that bothered me last spring. You probably remember that situation. You might have even been upset with us for our decision. A lot of people were. Because we gave farmers 100 percent of their diesel fuel needs under Special Rule 9.

Rule 9 worked, and it worked well. President Carter had pledged that agricultural production wouldn't be disrupted by a shortage of petroleum. And it wasn't. We moved fast to re-allocate fuels on an as-needed basis, and we got farmers through an exceptionally critical planting season.

Once land preparation and planting were taken care of--and they account for almost half of all farm production diesel needs--I recommended to the President that we lift Rule 9 to make fuels available to the truckers.

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Remarks prepared for delivery by Secretary of Agriculture Bob Bergland before the Anti-Defamation League of B'nai B'rith, the Golden Torch Award dinner, Dallas, Texas, September 19, 1979.

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Some farmers were unhappy with that. They said, and justifiably so, that their diesel needs wouldn't be reduced, that the rest of their activities--cultivation, irrigation, harvesting, hauling, storage--would continue to demand diesel.

But the fact is that a workable fuel system must be a balanced enterprise. Without a transport system, the produce of our nation's farms would not reach the American consumer. And that transport system is dependent on diesel fuel.

Agriculture's diesel crunch last spring and early summer is a lot like the energy case for the nation. Whether we were sitting on a tractor or in a 30-car gas line, we just wanted to get through the crisis. We might have sympathized with the other guy; but our first concern was our own fuel needs.

What we did then on an emergency basis for the food and agriculture system--balance the fuel supply among the many sectors of that system, from farmers through truckers, rail handlers, and processors--President Carter is now trying to do on a planned basis for the energy security of this nation.

Note that word security. That's really what this is all about. In many very real ways the guts of this issue is less energy per se than it is the security of our country. I don't think that's too dramatic. I think it's honest, and frightening, and real.

We are dealing no less today with our future security than we were in the 1930's when we joined in the New Deal to overcome the Great Depression...or in the 1940's when we served as Europe's "arsenal of democracy"...or in the 1960's when we conquered space.

In the short term, we must put aside special interests. We must be a nation united by one goal: a massive and comprehensive energy policy that has been blatantly absent for the past 20 years. Now it's more than needed. It's urgent.

And in the long term, we must, through this policy, establish our energy independence.

Since 1973 three American presidents have discussed a policy to accomplish both of these goals. And since 1973 we've increased our dependence on foreign oil by nearly 50 percent. What happened to that policy must not be allowed to happen to our future energy security--or, for that matter, to the SALT II treaty and our military security. It was talked about and papered over into oblivion.

Over two years ago, President Carter called the energy crisis the "moral equivalent of war." We all recognize foreign military domination as intolerable. Yet the confrontation we now face to be free of foreign economic domination in the form of imported oil is a fight for our future and our security as much as any military war or the conquest of space.

I have license to cast the energy crisis in terms of economics because it's agriculture dollars that pay for that imported oil.

We recently came out with our first estimate for agricultural exports in 1980. They may hit a record \$35-\$40 billion. With agricultural imports forecast at \$16- \$19 billion, agricultural trade could contribute about \$20 billion to the U.S. economy next year.

That's a lot of oil. Too much, in fact.

In 1960, we imported 19 percent of our oil consumption and paid \$1.6 billion for it. By 1977, we were importing 48 percent of our consumption and paying \$45 billion for it. This year we are importing about half of our oil needs. The Iranian disruption has sent prices soaring and the total import bill will exceed \$56 billion.



Here in Texas you don't need to be told about the implications of the shift toward increased energy imports. Texas is the largest producer of crude oil and natural gas in the United States. It's historically a major energy exporter and should remain a net exporter for the near future.

But I hear that things are changing here, too, that you're going to have to start looking to other sources to supplement your oil and gas-based economy. The production of oil and gas here is still large, but the production of crude oil has been declining since it peaked in 1972. Since domestic energy demand will continue to increase, Texas will start to rely more heavily on foreign oil to supply its refineries.

It's this trend that could shoot the national bill for oil imports up to \$70 billion in 1980. That's why President Carter has set specific targets for reduced oil imports as one of the basic elements of his energy program.

Without the program, 1990 imports could reach 13 to 14 million barrels per day. With the program, those imports will be held to 4 to 5 million barrels.

For the short term, the President has announced that net U.S. oil imports for 1979 will be held to levels below the ceiling of 8.5 million barrels per day agreed to at the Tokyo Economic Summit in June.

The President said that every new addition to our demand for energy would come from our own production and conservation.

There are five major elements to the President's conservation and production program.

The first requires the cooperation of all Americans to conserve energy and use fuel efficiently.

On the federal side, additional billions of dollars will be spent in the coming decade to improve our mass transportation system and automobile fuel efficiency.

Utilities will be asked to provide energy audit programs to customers and to offer long-term, low-cost financing for conservation improvements.

The second element of the program will maximize our potential to produce over a million barrels of new oil per day by 1985.

The President will accomplish this by gradually eliminating the price controls on domestic crude oil that were imposed in 1973. These controls have discouraged exploration for new reserves in untapped areas.

No matter how much new oil we produce here at home, it will only replace a small part of our oil imports. Therefore, we must make better use of our other, abundant domestic resources. The third element of the program will require utilities to cut their current use of oil in half by 1990. It will encourage them to invest in non-oil fired generators.

This element of the President's program is probably the most ambitious and long term. It will stimulate the production of synthetic fuels and unconventional gas. A windfall profits tax on decontrolled domestic oil selling at the world price will finance the drive to reduce our oil imports. The tax will generate billions of dollars that will be channeled into the private sector as investment incentives. The private sector will then produce synthetic fuels, both liquids and gases, from coal, biomass, peat and oil shale.

I'm frequently asked about the future for gasohol and alternative energy sources from biomass. USDA has put a good deal of money into research in the past two years, and I think the future here is pretty bright. Right now we're increasing our research in the distillation of alcohol from corn. At the moment there are no breakthroughs and the old problem remains: cost efficiency.

Under the fourth part of his program, the President is calling for increased dependence on solar and other renewable energy resources. Under the program, 20 percent of our total energy needs will come from solar and renewable energy resources by the year 2000.

Because we won't see the pay-off from many of these efforts for many years, the President's program provides emergency measures in case of disruption in our immediate dependence on foreign oil. The fifth part of the program includes standby gasoline rationing, state conservation plans and targets, and regional petroleum reserves.

But you can't have a program, and long-range goals are meaningless, without the machinery to put them in place.

This whole program will be set in motion by the windfall profits tax. This is the catalyst. It will use some of the windfall profits to prevent one segment of the economy from benefitting unfairly at the expense of all others. The windfall profits tax--not citizens' hard-pressed tax dollar--will lessen our dependence on imported oil.

Through the windfall profits tax, the government--not the oil companies--will cover the risk involved in developing synthetic fuels. That's as it should be. No oil company can or should assume such risk. Their stockholders would scream. And their stockholders would be right.

These billions of dollars will be made available to the private sector by the Energy Security Corporation. The Corporation will be independent, Congressionally-chartered, and free of most of the restrictions usually associated with federal agencies. It will not be in the energy production business. It will help the private sector develop synthetic fuels and unconventional gas.



The President's program will pull all of these efforts together through an Energy Mobilization Board. The Board will designate non-nuclear energy facilities that are critical to achieving our import reduction goals. It will coordinate federal, state and local regulations from the east coast to the west into a single decision process. In short, it will cut through bureaucratic red tape.

The President's program is being recognized across political and industrial lines as the only workable means to shake off our energy dependence and gain back our security.

We have heard from Jack Spitzer, the president of B'nai B'rith. Mr Spitzer has said: "The investment of resources and of purpose envisaged by the President's message is...on a scale and with an impact commensurate with the unparalleled menace posed by an oil cartel seeking to make the United States, its economy and its foreign policy hostage to the price and availability of oil. It is a comprehensive and necessary program which we hope and expect will be equal to the task."

We appreciate that kind of support. Now we're asking for more. We want more than the indifference of the past 20 years that got us into this situation. We want more than the indignation that characterized the diesel shortage and gas lines in the spring.

We want full public knowledge that this time the crisis won't go away, full public understanding that its existence threatens the very security of the nation.

We want nothing less than public outrage that such a thing could happen to the most resourceful nation on the face of the earth. That's right, outrage; because it will take nothing less than public outrage--replaced by public commitment--to solve our energy problem.

Thank you.

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